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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 000181

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E.O. 12958: DECL: 2035/02/12 TAGS: <u>PGOV PREL VE KDEM</u>

SUBJECT: Rumored Sale of Globovision

CLASSIFIED BY: Robin D. Meyer, Political Counselor, State, POL; REASON: 1.4(B), (D)

11. Summary. On February 10, opposition-oriented cable television station Globovision issued a press release denying rumors that it had been sold or had changed management. However, Director Ravell confirmed that he had been asked to resign. End Summary.

Rumors of Government Pressure

- (C) During the week of February 1, rumors circulated <u>¶</u>2. about the possible sale of Globovision to Federal Bank President Nelson Mezerhane. Opposition figures Diego Arria, Henri Ramos Allup, and Juan Jose Molina told the Ambassador and/or Polcouns of rumors that Banco Federal President Nelson Mezerhane was about to purchase Guillermo Zuloaga's shares of Globovision for USD 20 million. Ramos Allup told the Ambassador that Mezerhane was negotiating the sale as if he were representing the government. Ramos Allup alleged that Mezerhane was even discussing the possible lifting of administrative and criminal investigations against Globovision and Zuloaga. Molina told Polcouns that he had spoken with Globovision Director Alberto Ravell on February 5, who had assured him that he would publicly denounce any sale. While Globovision only has a small market penetration in Venezuela, it has a disproportionate influence in setting the political agenda given the GBRV's fixation with Globovision and its predominance in the overseas market.
- ¶3. (C) On February 3, DCM Caulfield met with CEO and owner of Multinacional de Seguros, Tobias Carrero Nacar, who said Mezerhane had told him the GBRV was pressuring him to sell Globovision or change its editorial line by threatening his bank, Banco Federal. Specifically, the GBRV wanted to end the "Alo Ciudadano" the "Buenas Noches" talk shows and to fire Ravell and anchorman Leopoldo Castillo. According to Carrero, Mezerhane said the GBRV had withdrawn funds from the bank and then demanded that he put in approximately USD 200 million in new capital. Mezerhane's sons refused to go along with recapitalizing the bank with family funds for fear the GBRV could ultimately seize the bank. The government's negotiator was former Finance Minister Ali Rodriguez. Carrreo said he subsequently learned that Mezerhane had asked Zuloaga to sell his 80 percent share; Zuloaga, although angry, offered to sell for 100 million Bolivares Fuertes, twice the estimated market value of the station. Ravell was outraged by this plan and threatened to denounce it publicly.

14. (U) In a press release issued the evening of February 10, Globovision affirmed it "is neither being bought nor sold."

According to the press release, Globovision "has not changed ownership, maintains its editorial line, and does not have owners different from the original founders of 15 years ago. Globovision . . will not cease its effort to inform Venezuelans and the world with the same spirit, commitment, and respect as always toward our television audience." However, Director Ravell confirmed to Embassy Information Officer that he had been asked to resign. Ravell also claimed in a Twitter message that "there will be changes in the program 'Alo Ciudadano.'"

Globovision and the Opposition

15. (C) While several opposition parties expressed concern to the Ambassador and/or Polcouns about the possible loss of Globovision, Julio Borges, the national coordinator of "Justice First," concluded the closure would simply reinforce the need for "door-to-door" politics, something that ready access to Globovision

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and RCTV had made less necessary. He said the opposition had gotten into the "bad habit" of relying on these stations. However, the opposition leaders also complained that the television stations often acted as political parties in their own right, making it difficult for alternative views to be presented. Diego Arria agreed, noting that "if they don't support you, they don't show you." However, even more than the closing or potential closing of RCTV or a change in the editorial line of Globovision, Borges said opposition media outreach was affected by the closing of the radio stations last summer.